

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	File No. EB-04-IH-0652
	)	
United Networks International, Inc.	)	Acct. No. 200632080006
	)	
	)	FRN No. 0011-1796-03

**ORDER**

**Adopted: December 8, 2005**

**Released: December 9, 2005**

By the Chief, Enforcement Bureau:

1. In this *Order*, we adopt the attached Consent Decree entered into between the Enforcement Bureau and United Networks International, Inc. (“UNI”). The Consent Decree terminates the enforcement proceeding initiated by the Enforcement Bureau against UNI for possible violations of section 254 of the Communications Act of 1934, as amended (“the Act”),<sup>1</sup> relating to universal service, and sections 1.1157, 52.17, 54.706, 54.711, 64.604, and 64.1195 of the Commission rules relating to universal service, the Telecommunications Relay Service Fund, the North American Numbering Plan Administration, and regulatory fees.<sup>2</sup>

2. The Enforcement Bureau and UNI have negotiated the terms of a Consent Decree that resolves this matter. A copy of the Consent Decree is attached hereto and incorporated by reference.

3. Based on the record before us, and in the absence of material new evidence relating to this matter, we conclude that there are no substantial or material questions of fact as to whether UNI possesses the basic qualifications, including those related to character, to hold or obtain any Commission license or authorization.

4. After reviewing the terms of the Consent Decree, we find that the public interest will be served by adopting the Consent Decree.

5. Accordingly, **IT IS ORDERED** that, pursuant to section 4(i) of the Communications Act of 1934, as amended,<sup>3</sup> and sections 0.111 and 0.311 of the Commission’s rules,<sup>4</sup> the Consent Decree attached to this Order **IS ADOPTED**.

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<sup>1</sup> 47 U.S.C. § 254.

<sup>2</sup> 47 C.F.R. §§ 1.1157, 52.17, 54.706, 54.711, 64.604, 64.1195.

<sup>3</sup> 47 U.S.C. § 154(i).

<sup>4</sup> 47 C.F.R. §§ 0.111, 0.311.

6. **IT IS FURTHER ORDERED** that the above-captioned investigation **IS TERMINATED.**

FEDERAL COMMUNICATIONS COMMISSION

Kris Anne Monteith  
Chief, Enforcement Bureau

**Before the  
Federal Communications Commission  
Washington, DC 20554**

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	)	Acct. No. 200632080006
United Networks International, Inc.	)	
	)	FRN No. 0011-1796-03

**CONSENT DECREE**

1. The Enforcement Bureau (“Bureau”) of the Federal Communications Commission (“Commission”) and United Networks International, Inc. (“UNI” or the “Company”) hereby enter into this *Consent Decree* for the purpose of terminating the Bureau’s investigation into whether UNI violated section 254 of the Communications Act of 1934, as amended (the “Act”),<sup>1</sup> relating to universal service, and/or certain Commission rules relating to universal service, the Telecommunications Relay Service (“TRS”) Fund, the North American Numbering Plan Administration (“NANPA”), and regulatory fees.

2. For the purposes of this Consent Decree, the following definitions shall apply:

- (a) “Commission” and “FCC” mean the Federal Communications Commission.
- (b) “Bureau” means the Enforcement Bureau of the Federal Communications Commission.
- (c) “UNI” means United Networks International, Inc. and its predecessors-in-interest and successors-in-interest.
- (d) “Parties” means UNI and the Bureau.
- (e) “Order” or “Adopting Order” means an Order of the Commission or the Bureau adopting the terms of this Consent Decree without change, addition, deletion, or modification.
- (f) “Effective Date” means the date on which the Commission or the Bureau releases the Adopting Order.
- (g) “Investigation” means the investigation commenced by the Bureau’s January 26, 2005 Letter of Inquiry<sup>2</sup> regarding whether UNI violated the requirements of section 254 of the Act and/or sections 1.1157, 52.17, 54.706, 54.711, 64.604 and 64.1195 of the Commission’s rules relating to carrier registration, universal service reporting and contribution, number administration, telecommunications relay systems and regulatory fee payments.

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<sup>1</sup> 47 U.S.C. § 254.

<sup>2</sup> See Letter from Hillary S. DeNigro, Deputy Chief, Investigations and Hearings Division, Enforcement Bureau, FCC to Preston Stewart, President, United Networks international, Inc. (January 26, 2005).

## I. BACKGROUND

3. Pursuant to section 64.1195(a) of the Commission's rules, all carriers that provide interstate telecommunications service must register with the Commission through submission of FCC Form 499-A.<sup>3</sup> In addition, pursuant to section 254(d) of the Act and sections 54.706(a) and 54.711(a) of the Commission's rules, telecommunications carriers that provide interstate telecommunications services and private service providers that provide interstate telecommunications services are required to file annual and quarterly Telecommunications Reporting Worksheets (FCC Forms 499-A and 499-Q) and contribute to the Universal Service Fund.<sup>4</sup>

4. Section 225(b)(1) of the Act<sup>5</sup> codifies Title IV of the Americans with Disabilities Act of 1990. In support of that Act, section 64.604 of the Commission's rules requires every carrier that provides interstate telecommunications services to file Telecommunications Reporting Worksheets and contribute to the TRS Fund based upon its interstate and international end-user revenues.<sup>6</sup>

5. Section 251(e)(1) of the Act directs the Commission to ensure the availability of telephone numbers on an equitable basis.<sup>7</sup> To this end, section 52.17 of the Commission's rules requires that all telecommunications carriers file Telecommunications Reporting Worksheets and contribute toward the costs of numbering administration on the basis of their end-user telecommunications revenues for the prior calendar year.<sup>8</sup>

6. Pursuant to section 9(a)(1) of the Act and section 1.1151 of the Commission's rules, interstate telecommunications and other providers must pay regulatory fees to the Commission to recover the costs of certain regulatory activities.<sup>9</sup> In particular, sections 1.1154 and 1.1157(b)(1) of the Commission's rules require that interstate telecommunications carriers pay regulatory fees on the basis of their interstate and international end-user revenues.<sup>10</sup>

7. UNI is a provider of intrastate and interstate long distance services located in American Fork, Utah, serving approximately 160 customers. On January 26, 2005, the Bureau issued a Letter of Inquiry ("LOI") directing UNI to provide information about its compliance with the Commission's registration requirements and reporting and contribution requirements involving the Universal Service Fund, the TRS Fund, and the NANPA Fund. UNI submitted a response to the Bureau's LOI on March 20, 2005.<sup>11</sup> In September and October, 2005, UNI submitted supplemental information.

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<sup>3</sup> 47 C.F.R. § 64.1195(a).

<sup>4</sup> 47 U.S.C. § 254(d); 47 C.F.R. §§ 54.706(a), 54.711(a).

<sup>5</sup> 47 U.S.C. § 225(b)(1).

<sup>6</sup> 47 C.F.R. § 64.604(c)(5)(iii)(A).

<sup>7</sup> 47 U.S.C. § 251(e)(1).

<sup>8</sup> 47 C.F.R. § 52.17(a).

<sup>9</sup> 47 U.S.C. § 159(a)(1); *see also* 47 C.F.R. § 1.1151.

<sup>10</sup> *See* 47 C.F.R. §§ 1.1154, 1.1157(b)(1).

<sup>11</sup> *See* Letter from Preston Stewart, President, United Networks International, Inc., to David Janas, Special Counsel, Investigations and Hearings Division, Enforcement Bureau (March 20, 2005).

## II. AGREEMENT

8. The Parties agree that the provisions of this Consent Decree shall be subject to final approval by the Bureau, through entry of the Order, which shall immediately resolve and terminate the Investigation.

9. The Parties agree that this Consent Decree does not constitute either an adjudication on the merits or a factual or legal finding or determination regarding any compliance or noncompliance with the requirements of the Act or the Commission's rules and orders. The Parties agree that this Consent Decree is for settlement purposes only and that by agreeing to this Consent Decree, UNI does not admit or deny liability for violating any statute, regulation, or administrative rule in connection with matters that are the subject of this Consent Decree.

10. UNI agrees that it will make a voluntary contribution to the United States Treasury in the amount of \$15,000, in five equal installments of \$3,000 each paid over a five-month period, with the first payment due 30 days after the Effective Date and each of the four successive payments due 30 days after the previous payment. The payment must be made by check or similar instrument, payable to the order of the Federal Communications Commission. The payment must include "Acct. No. 200632080006" and "FRN No. 0011-1796-03." Payment by check or money order may be mailed to Federal Communications Commission, P.O. Box 358340, Pittsburgh, PA 15251-8340. Payment by overnight mail may be sent to Mellon Bank /LB 358340, 500 Ross Street, Room 1540670, Pittsburgh, PA 15251. Payment by wire transfer may be made to ABA Number 043000261, receiving bank Mellon Bank, and account number 911-6106.

11. For purposes of settling the matters set forth herein, UNI agrees to maintain a compliance program related to future compliance with the Act, the Commission's rules, and the Commission's orders. The program will include, at a minimum, the following components:

- (a) **Compliance Manual.** The Company shall create, maintain and update an FCC Compliance Manual. Company personnel shall have ready access to the Compliance Manual and are to follow the procedures contained in it. The Compliance Manual will, among other things, describe the regulatory fee, universal service, Telecommunications Relay Service and North American Numbering Plan Administration rules and requirements as they apply to UNI. The Compliance Manual will set forth a schedule of filing and payment dates associated with these regulatory programs, and UNI will create compliance notifications that alert the Company to upcoming filing and payment dates. The Company shall submit to the Bureau a final version of its Compliance Manual 30 days after the Effective Date.
- (b) **Compliance Training Program.** The Company will establish an FCC Compliance Training Program for employees who engage in activities subject to FCC regulation. Training sessions will be conducted for new employees within the first 30 days of employment.
- (c) **Review and Monitoring.** The Company will review the FCC Compliance Manual and FCC Compliance Training Program annually to ensure that they are maintained in a proper manner and continue to address the objectives set forth therein.
- (d) **Company Software Redesign.** Within 90 days of the Effective Date, the Company will modify the software it utilizes to maintain financial data so that it can break out the financial details into the components required for FCC filings.

- (e) **Termination.** UNI's obligation under this Paragraph 11 shall expire 24 months after the Effective Date.

12. The Bureau agrees that it will not use the facts developed in this Investigation through the Effective Date of the Consent Decree, or the existence of this Consent Decree to institute, on its own motion, any new proceeding, formal or informal, or take any action on its own motion against UNI concerning the matters that were the subject of the Investigation. The Bureau also agrees that it will not use the facts developed in this Investigation through the Effective Date of this Consent Decree, or the existence of this Consent Decree to institute on its own motion any proceeding, formal or informal, or take any action on its own motion against UNI with respect to UNI's basic qualifications, including its character qualifications, to be a Commission licensee or authorized common carrier.

13. Nothing in this Consent Decree shall prevent the Commission or its delegated authority from adjudicating complaints filed pursuant to section 208 of the Act against UNI or its affiliates for alleged violations of the Act, or for any other type of alleged misconduct, regardless of when such misconduct took place. The Commission's adjudication of any such complaint will be based solely on the record developed in that proceeding. Except as expressly provided in this Consent Decree, this Consent Decree shall not prevent the Commission from investigating new evidence of noncompliance by UNI of the Act, the rules, or the Order.

14. UNI waives any and all rights it may have to seek administrative or judicial reconsideration, review, appeal or stay, or to otherwise challenge or contest the validity of this Consent Decree and the Order adopting this Consent Decree, provided the Bureau issues an Order adopting the Consent Decree without change, addition, modification, or deletion. UNI shall retain the right to challenge Commission interpretation of the Consent Decree or any terms contained herein.

15. UNI's decision to enter into this Consent Decree is expressly contingent upon the Bureau's issuance of an Order that is consistent with this Consent Decree, and which adopts the Consent Decree without change, addition, modification, or deletion.

16. In the event that this Consent Decree is rendered invalid by any court of competent jurisdiction, it shall become null and void and may not be used in any manner in any legal proceeding.

17. If either Party (or the United States on behalf of the Commission) brings a judicial action to enforce the terms of the Adopting Order, neither UNI nor the Commission shall contest the validity of the Consent Decree or the Adopting Order, and UNI shall waive any statutory right to a trial *de novo*.

18. Any violation of the Consent Decree or the Adopting Order will constitute a separate violation of a Commission order, entitling the Commission to exercise any rights or remedies authorized by law attendant to the enforcement of a Commission order.

19. The Parties also agree that if any provision of the Consent Decree conflicts with any subsequent rule or order adopted by the Commission (except an order specifically intended to revise the terms of this Consent Decree to which UNI does not expressly consent) that provision will be superseded by such Commission rule or order.

20. UNI hereby agrees to waive any claims it may otherwise have under the Equal Access to Justice Act, 5 U.S.C. § 504 and 47 C.F.R. § 1.1501 *et seq.*, relating to the matters addressed in this Consent Decree.

21. This Consent Decree may be signed in counterparts.

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Kris Anne Monteith  
Chief, Enforcement Bureau  
Federal Communications Commission

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Date

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Preston Stewart  
President  
United Networks International, Inc.

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Date